

## Message Text

UNCLASSIFIED

PAGE 01 TOKYO 17780 030248Z

53

ACTION EA-09

INFO OCT-01 EUR-12 ISO-00 PA-02 PRS-01 USIA-15 CIAE-00

INR-07 NSAE-00 EB-07 COME-00 TRSE-00 SCA-01 /055 W

----- 100409

R 030230Z DEC 76

FM AMEMBASSY TOKYO

TO SECSTATE WASHDC 3959

INFO USMISSION OECD PARIS

UNCLAS TOKYO 17780

E.O. 11652: N/A

TAGS: EFIN, ECON, JA

SUBJECT: JAPANESE PROPOSAL FOR OVERSEAS TRAVEL TAX

1. NOV 23 JAPANESE-LANGUAGE MAINICHI SHIMBUN REPORTS THAT JAPANESE FINANCE MINISTRY (MOF) IS CONSIDERING IMPOSITION OF OVERSEAS TRAVEL TAX AS PART OF ITS REVIEW OF POSSIBLE ADDITIONAL REVENUE SOURCES FOR JFY1977. ACCORDING TO ARTICLE, TAX WOULD TAKE FORM OF PASSPORT STAMP TAX WHICH MUST BE PAID EITHER AT TIME OF APPLICATION FOR PASSPORT OR PRIOR TO DEPARTURE FROM COUNTRY, WHETHER FOR REASONS OF BUSINESS OR PLEASURE. MAINICHI REPORT IMPLIES THAT IMPOSITION OF TAX WOULD NOT RPT NOT BE FOR BALANCE OF PAYMENTS ADJUSTMENT. ALTHOUGH NO AMOUNT IS SPECIFIED IN ARTICLE, MOF REPORTEDLY ESTIMATES THAT IT WOULD YIELD 20 BILLION YEN ANNUALLY; GIVEN CURRENT NUMBER OF JAPANESE OVERSEAS TRAVELLERS, THIS WOULD APPEAR TO BE A RATE OF 10,000 YEN PER PERSON. ACCORDING TO MAINICHI ARTICLE, MOF PROPOSED SIMILAR TAX OF 10,000 YEN IN 1966, BUT IT WAS OPPOSED SUCCESSFULLY BY FOREIGN AND TRANSPORTATION MINISTRIES, WHICH BELIEVED IT WOULD NOT BE AN APPROPRIATE WAY TO MARK INTERNATIONAL TOURIST YEAR IN 1967.

2. FINANCE MINISTRY'S TAX BUREAU TOLD EMBOFF THAT MAINICHI ARTICLE IS "PRESS SPECULATION" AND THAT NO ACTION CAN BE TAKEN IN ANY CASE UNTIL TAX COUNCIL MEETS LATER IN DECEMBER.

3. EMBASSY COMMENT. DEPENDING UPON RATE OF STAY, OVERSEAS

UNCLASSIFIED

UNCLASSIFIED

PAGE 02 TOKYO 17780 030248Z

TRAVEL TAX COULD HAVE SIGNIFICANT IMPACT ON JAPANESE TRAVEL

TO GUAM AND HAWAII, WHICH HAS BECOME FINANCIALLY ATTRACTIVE  
AS JAPANESE DOMESTIC TRAVEL COSTS INCREASE, AND LESSER EFFECT  
ON TRAVEL TO U.S. MAINLAND. IMPOSITION OF TAX WHOSE PRACTICAL  
EFFECT WOULD BE TO DETER OVERSEAS TRAVEL, WOULD BE A CURIOUS  
STEP FOR A NATION IN RELATIPELY STRONG EXTERNAL POSITION, WHICH  
MAY SUGGEST THAT IDEA HAS NOT BEEN FULLY VETTED WITHIN GOJ  
(OR MAYBE EVEN WITHIN MOF). END COMMENT.  
HODGSON

UNCLASSIFIED

NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** TRANSPORTATION TAXES, TOURISTS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 03 DEC 1976  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** n/a  
**Disposition Approved on Date:**  
**Disposition Authority:** n/a  
**Disposition Case Number:** n/a  
**Disposition Comment:**  
**Disposition Date:** 01 JAN 1960  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1976TOKYO17780  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** D760447-1192  
**From:** TOKYO  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1976/newtext/t19761273/aaaaclew.tel  
**Line Count:** 69  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Office:** ACTION EA  
**Original Classification:** UNCLASSIFIED  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:** n/a  
**Previous Classification:** n/a  
**Previous Handling Restrictions:** n/a  
**Reference:** n/a  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** wolfsd  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 26 MAY 2004  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <26 MAY 2004 by hattaycs>; APPROVED <10 AUG 2004 by wolfsd>  
**Review Markings:**

Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
04 MAY 2006

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** JAPANESE PROPOSAL FOR OVERSEAS TRAVEL TAX  
**TAGS:** EFIN, ECON, JA  
**To:** STATE  
**Type:** TE  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006